

Mines / Leases /  
Production

Don E. Hill, Chief, Development Section  
Leasing & Development Branch, Mining Division, GJ

August 10, 1956

Albert S. J. Taylor, Mining Engineer  
Mining Division, GJ

CERTIFICATION OF THE UPPER CANYON AND LOWER CANYON CLAIMS,  
PERMIT NO. 56, SHIPROCK MINING DISTRICT, APACHE COUNTY, ARIZONA,  
AND SAN JUAN COUNTY, NEW MEXICO (APPLICATION NO. 1405)

MD:ASJT

Abstract

Application No. 1405 refers to two contiguous tracts on either side of the Arizona-New Mexico boundary, known as the Upper Canyon claim and the Lower Canyon claim. The Upper Canyon claim is in Apache County, Arizona, in unsurveyed Sections 29 and 30, T 39 N, R 31 E, G&SR B&M. The Lower Canyon claim is in San Juan County, New Mexico, in unsurveyed Sections 2 and 3, T 29 N, R 21 W, FMPPM, and both are in the Navajo Indian Reservation.

Mining rights on the claims are held by the applicant, Cato Sells, a Navajo Indian, by Navajo Tribal Mining Permit No. 56, approved August 6, 1952, and renewed for two years from August 6, 1956. No assignment of this permit is involved. This property was also held by Cato Sells under an un-numbered mining permit dated August 15, 1949.

Initial production was during the life of this un-numbered permit.

The Finance Division reports 2,770.94 pounds of  $U_3O_8$  from the Canyon and Canyon Nos. 1, 2 and 3. As near as can be determined, these Canyon claims are the same as the Upper and Lower Canyon claims. The original records of ore receipts at the Durango mill for the critical period have been destroyed by fire, and the records now available are not specific as to location of the source of shipments. The applicant has not kept shipment records for this period and called Mr. R. E. Toole of this office on August 8, 1956, stating that he is willing to accept the 2,770.94 pound figure for critical period production.

It is recommended that the Upper Canyon and Lower Canyon claims as listed under paragraphs (8) and (9) of Land Description in Navajo Tribal Mining Permit No. 56 be certified together as a unit to receive bonus payments on 7,229.01 pounds of  $U_3O_8$ .

OFFICE	MD	MD	MD	MD		
SURNAME	Taylor	Newman	Land	for		
DATE	8/10/56	8-13-56		8/25/56		

August 10, 1956

Introduction

Application No. 1405 was received on June 8, 1956, from Cato Sells, Box 253, Farmington, New Mexico. The application requested certification of two claims, the Upper Canyon claim of 22.5 acres, and the Lower Canyon claim of 19.3 acres.

The property was examined on June 29, 1956, by the writer, accompanied by Cato Sells, the applicant.

Status of the Land

The Upper Canyon claim is located in unsurveyed Sections 29 and 30, T 39 N, R 31 E, G&SR B&M, Apache County, Arizona. The adjacent Lower Canyon claim is located in unsurveyed Sections 2 and 3, T 29 N, R 21 W, NMPM, San Juan County, New Mexico. Both claims are within the Navajo Indian Reservation, and mining rights to them are held by Navajo Tribal Mining Permit No. 56, approved and effective August 6, 1952, and renewed for two years from August 6, 1956. This permit covers also seven other claims or tracts in the Shiprock Area, the closest other one being about 3/4 mile due south of the Upper Canyon claim or about 1 1/2 miles away by road. No assignments are involved concerning the Canyon claims.

The property has been surveyed by Ernest V. Echohawk, a registered land surveyor in New Mexico and Arizona. Corner monuments consisted of stone monuments with identifying stakes in the centers. The claims appeared to be on the ground as shown in the submitted plat and as described in the permit.

No conflicts were noted. Leroy Pettigrew's claim (Permit No. 337) joins the Upper Canyon claim on the south. No claims are known to exist on the east and west end of the Canyon claims. The property on the north is presently under application for a mining permit to one of the many relatives of Cato Sells.

The property may be reached from the bridge at Shiprock, New Mexico, according to the following directions.

Accumulated  
MileageDirections

0.0	South on Highway 666.
6.0	West on gravel road toward Cove.
29.0 (approx.)	Red Rock Trading Post turn off; keep on main road.
29.3	Take Oak Springs road to right, north.
40.1	Pass Oak Springs, take left fork.
40.9	Turn right.
41.3	Camp on Upper Canyon claim over mine workings.

August 10, 1956

Ownership

The two contiguous claims considered in this report are held by the applicant, Cato Sells, by Navajo Tribal Mining Permit No. 56, which was granted under regulations in effect on the Navajo Indian Reservation. The permit has been renewed to August 6, 1958. At the date of initial production the land was held by Cato Sells under an un-numbered mining permit dated August 19, 1949, and the claims were known as the Canyon claims. As near as could be determined shipments were made in the names of the Canyon and Canyon Nos. 1, 2 and 3.

No conflicts were noted. The Leroy Pettigrew claim, joining the Upper Canyon claim on the south was laid out to join the Upper Canyon boundary line, according to a statement by Leroy Pettigrew, the permittee. Other properties on the north are junior claims and were laid out to join without conflict.

The applicant has the right to apply as holder of Navajo Tribal Mining Permit No. 56.

Production

The property was operating at the time of examination, with four Navajo miners and one white foreman employed. Previously six miners were employed. Two faces are now being worked, with ore thickness pinching out. Present working faces have ore of about 1 foot thickness. The bulk of the ore mined in the past has been from working faces containing about 4 feet of ore. Production this year has been about 150 tons per month, but it will probably drop from now on.

The property has been drilled by the A.E.C. The ore body presently being mined was blocked out by A.E.C. drilling in 1952. Also about 3500 feet of wagon drilling has been done by the applicant at 60¢ per foot. The applicant plans to do more drilling when bonus money is collected.

Haulage to Shiprock is obtained at 7½¢ per tons mile for 40 miles. No mining costs were obtained.

Equipment at the mine consisted of two wooden ore bins of about 20 tons capacity, two LeRoi 105 compressors, one Joy 125 compressor, three Thor 45 jackhammers, one ton mine cars, two single drum hoists and 12 pound and 20 pound mine rail.

The Finance Division reports 2,770.94 pounds of U<sub>3</sub>O<sub>8</sub> produced from the Canyon and Canyon Nos. 1, 2 and 3 claims, which were the same as the Upper and Lower Canyon claims, as near as can be determined from the data available.

August 10, 1956

The property is eligible to receive bonus payments on 7,229.06 pounds of  $U_3O_8$  when certified.

### Ore Reserve Data

1. Formation Saltwash-Morrison
2. Metallurgical Type Carnotite
3. Availability  
Mining A Metallurgy A Access B
4. Discovery  
Source Private Method Surface prospecting  
Delineation or Development  
Source Private Method Drilling and Mining
5. Average Drilling Depth 100 feet or less
6. Ore Reserves

	Tons	Thickness	Percent		
			$U_3O_8$	$V_2O_5$	$CaCO_3$
Indicated	300	2'	0.20	2.0	low
Inferred	200	2'	0.20	2.0	low
-----					
Total	500		0.20	2.0	low
Potential	1000	2'	0.20	2.0	low

7. Ownership or Control Independent operators
8. Probable Delivery Point Shiprock

### Recommendations

It is recommended that the Upper Canyon and Lower Canyon claims as listed under paragraphs (8) and (9) revised of Land Description in Navajo Tribal Mining Permit No. 56 be certified together as a unit eligible to receive bonus payments on 7,229.06 pounds of  $U_3O_8$ .

This property is held under valid mining rights expiring August 6, 1958, and subject to extension. The nearest property under common ownership or control is the Oak Springs (or Gravel Top) claim, Certification No. 596, which is about 3/4 mile away in a straight line and about 1 1/2 miles distance by existing road.

Certification of this property appears to meet the requirements and purpose of Circular 6.

cc: Ingles Gay - Grants  
E. R. Gordon - ED

VERIFICATION OF PRODUCTION RECD.  
APPLICATION FOR CERTIFICATION

Application No. 1405

Name of Mining Property: Upper & Lower Canyon Mine

Name of Applicant: Ed. Smith

1. There (~~has~~) (is not) a record of production for the period April 9, 1948 through February 28, 1951.

Shipper	Name of Mine	District	County	State	Purch. Depot	Date	Ore Dry Tons	U308 Pounds

Shipments to Shattuck Chemical Co., Denver, Colorado

Name of Shipper	Date	Pounds U308

Total Pounds U308 \_\_\_\_\_

2. There (has) (~~has not~~) been production from this property for the period March 1, 1951 through the month of April, 1956.

Delbert B. Hutto  
Delbert B. Hutto, Auditor

Production checked by MSH

Date forwarded to Mining Division 6/10/52

# One Records Records

Canyon Claim - Shipped by Pete Atchity

Shipped 12-51 - 135 tons @ 0.08 7/8 Avg. grade + 2.09

Canyon #2 - Shipped by Pete Atchity - Cato Sells - Lessee

Shipped 12-50 - 55 tons @ 0.24, 3.09

Mar. thru June - Durango

Canyon #3 - Shipped by Pete Atchity - Cato Sells - Lessee

Shipped 12-50 - 20 tons @ 0.30, 2.20

June to July - Durango

(C-011 P 730W, 820 + 21W)

Canyon #1 Shipper  
Pete Atchity

Total to 12-51

824 tons @ 0.14, 2.33

Oak Springs - Shipper not given

12-49 - Monticello - 69 tons @ 0.26, 2.94

Lessee of Indian Mining  
shows Durango M.L.

12-50 Durango - 456 tons @ 0.16, 2.73

824

20

55

899

10/20/90  
7229.06  
27709.4

As per request  
by H. Taylor

VERIFICATION OF PRODUCTION RECORD  
APPLICATION FOR CERTIFICATION

Application No. 1405

Name of Mining Property: North Canyon & South Canyon

Name of Applicant: \_\_\_\_\_

1. There (is) (is not) a record of production for the period April 9, 1948 through February 28, 1951.

Shipper	Name of Mine	District	County	State	Purch. Depot	Date	Ore Dry Tons	U308 Pounds
Gato Sells	Canyon #1	Indian Reservoir	Apache	Ariz.	✓	1950	779.02	2248.00
✓	Canyon	✓	✓	✓	✓	1950	116.12	181.61
✓	Canyon #2	✓	✓	✓	✓	1950	54.68	264.84
✓	Canyon #3	✓	✓	✓	✓	1950	20.27	121.49

Shipments to Shattuck Chemical Co., Denver, Colorado

Name of Shipper

Date

Pounds U308

Total Pounds U308

2790.94  
2384.61

2. There (has) (has not) been production from this property for the period March 1, 1951 through the month of \_\_\_\_\_, 195\_\_.

Delbert B. Hutto  
Delbert B. Hutto, Auditor

Production checked by RKH

Date forwarded to Mining Division 7/11/52

APPLICATION NO. \_\_\_\_\_

SUPPLEMENTAL INFORMATION  
ON APPLICATION FOR CERTIFICATION OF A MINING PROPERTY

6. Production subsequent to February 28, 1951.

666.1040  
Total Dry Tons

2721.55  
Total Pounds  $U_3O_8$

7. Please furnish a plat showing all locations or tracts under this same ownership and/or operational control which are contiguous or closely situated (within  $\frac{1}{2}$  mile of one another). Said plat should be on a scale of 1" = 1000' or larger (i.e., 1" = 800', 1" = 700', etc.) and should show the relation of the claim pattern with respect to the public land survey and claims of other ownership which overlap. It need not be prepared by a registered engineer or surveyor; however, the signature of the applicant must appear on the plat.
8. Please furnish a complete abstract of the public record as it pertains to each claim shown on the plat. (locations, amendments & conveyances, etc.). This need not be prepared by a certified abstractor; however, the person who makes the abstract should certify that it is accurate and complete to the best of his knowledge.



C-801 Upper Canyon & Lower Canyon claims.

Visited 10/25/56

Engineer: Taylor

Eligible Balance - 7,229.06 lbs.

Operating currently, drifting toward some recently drilled-out ore. Production this month will be short due to dead drifting most of the month. Two Navajo miners working here, and the white foreman is overseeing this and the Oak Springs, or Gravel Top mine.

No irregularities noted with respect to bonus payments.

C-801 Upper Canyon and Lower Canyon Claims

Visited 2/13/57

Engineer: Taylor

Eligible balance - 2,050.81 pounds  $U_3O_8$ .

Not operating on day of visit. Ore bin empty. Evidently, the crew is being used for working the Oak Springs property. Camp and equipment appears to be still intact. No irregularities noted with respect to bonus payments.

FORM 31-42-2  
(2/58)

RETURNING VISITS TO CLASSIFIED PROPERTIES

Group Name Upper Canyon & Lower Canyon

Certification No. C - 801

Location: Apache Arizona  
County State

District Shiprock

Date of Visit 10/24/58

Examining Engineer A. J. Speal - R. K. Nestler

Eligible Balance from last IBM Sheet: 2050.81 pounds as of 8/31/58  
No change since last visit by Taylor 2/13/57.

Remarks: (Should include anything of interest about the property covering  
briefly such things as changes in ownership, present production,  
etc.)

Abandoned; camp and equipment removed. Cato Sells stated he may do some drilling  
on the Lower Canyon claims.

Have you seen anything to lead you to suspect fraudulent collection of taxes:

Yes X No

If the answer is yes - explain.

Distribution:  
Development Section  
Branch Offices

FORM GJ-PD-2

RECURRING VISITS TO CERTIFIED PROPERTIES

Group Name Upper and Lower Canyon Certification No. C - 801  
Apache Arizona  
Location: San Juan New Mexico District Shiprock (E. Carrizo)  
(County) (State)  
Date of Visit 6/11/59 Examining Engineer R. K. Nestler

Eligible Balance from last IBM Sheet: 2,050.81 pounds as of 5/31/59.

No change since last visit by Speal and Nestler on 10/24/58.

Remarks: (Should include anything of interest about the property covering briefly such things as changes in ownership, present production, etc.)

No recent activity; no equipment on property.

Have you seen anything to lead you to suspect fraudulent collection of bonus?

\_\_\_\_ Yes X No

If the answer is yes - explain.

Distribution:

Development Section

Branch Offices SMA

RK  
6/16/60

FORM GJ-PD-2

FINAL EXAMINATION  
RECURRING VISITS TO CERTIFIED PROPERTIESGroup Name Lower Canyon and Upper Canyon Certification No. 801Location Apache/San Juan Arizona/New Mexico District Shiprock (E. Carrizo)  
(County) (State)Date of Visit June 10, 1960 Examining Engineer William D. Tipton

Eligible Balance from last IBM Sheet: 2,050.81 pounds on March 31, 1960.

No change since previous visit by Nestler on June 11, 1959.

Remarks: (Should include anything of interest about the property covering  
briefly such things as changes in ownership, present production,  
etc.)

This property probably abandoned, no activity. Development of Upper Canyon claim by two adits and an incline. Lower Canyon claim developed by a 50' incline. Only thin bands and small patches of ore or mineralization exposed in the workings.

Bonus payments on this property totalled 5,178.25 pounds. The extent of mining activities is commensurate with the amount of bonus payments.

Have you seen anything to lead you to suspect fraudulent collection of bonus?

       Yes   X   No

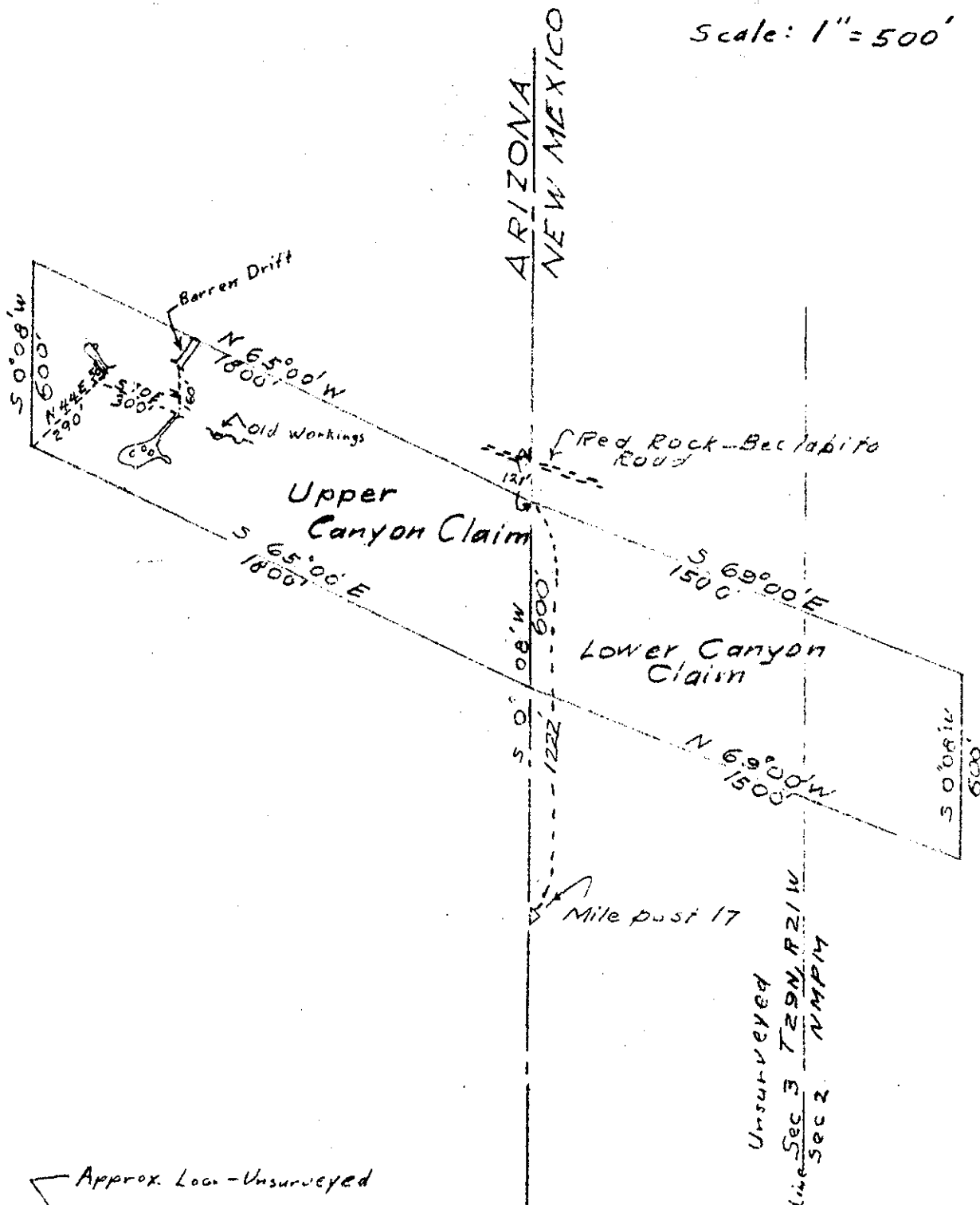
If the answer is yes - explain.

Distribution:

Development Section

Branch offices *[Signature]*

Scale: 1" = 500'



Approx. Loc. - Unsurveyed

30	29	T 39 N
31	32	R 31 E G+S.R. B+M

Unsurveyed  
Approx. Line Sec 3 T 29 N, R 21 W  
Sec 2 NMP 14

UNITED STATES  
DEPARTMENT OF THE INTERIOR

Resources: Realty

OFFICE OF INDIAN AFFAIRS

FIELD SERVICE  
Navajo Agency  
Window Rock, Arizona

AUG 16 1954

Cato Sells  
Farmington  
New Mexico

Dear Sir:

Pursuant to your request and the approval of the Advisory Committee, your two Tribal Mining permits No. 55 and 56 are hereby renewed for a period of two years from August 21, 1954, for permit No. 55, and from August 6, 1954 for permit No. 56. These dates are the expiration dates of the original permits.

Yours very truly,

*Acting* *Adolph Maloney*  
Chairman, Navajo Tribal Council

Approved: *R. D. Leet*  
Assistant Area Director

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF INDIAN AFFAIRS  
WINDOW ROCK AREA OFFICE  
WINDOW ROCK, ARIZONA

Permit No. \_\_\_\_\_

MINING PERMIT--NAVAJO TRIBAL LANDS

Pursuant to authority granted by the Advisory Committee of the Navajo Tribal Council by Resolution No. ACS-80-51 dated September 19, 1951, as amended by Resolution ACF-4-52 dated February 12, 1952 and ACM-5-52 dated March 11, 1952, permission is hereby granted to:

Grant to:

Census No. \_\_\_\_\_, a Navajo Indian, of \_\_\_\_\_

\_\_\_\_\_ to prospect for, mine and remove minerals from tribal lands of the Navajo Indian Reservation, in the County of \_\_\_\_\_

County of \_\_\_\_\_ State of \_\_\_\_\_ and described as follows:

See legal description attached.

for the full term of two years from date of approval hereof, for the sole purpose of prospecting for and mining of minerals as follows:

Quantities bearing names:

The Permittee to occupy so much of the surface of said land as may be reasonably necessary to carry on the work of prospecting for, mining, storing, and removing such minerals, and to construct such access roads as are necessary, in proper development of the property.

PROVIDED, however, that any Navajo who conducts development operations under a permit may at his option apply for a lease before the expiration of the two year period, or at the expiration of the two year period he may apply for an extension of his permit for an additional two year term, and the Advisory Committee may approve any such application if in its opinion the applicant has worked and is continuing to work in good faith in the development of the mining operation.

1. In consideration of the foregoing, the Permittee hereby agrees:

- (a) Royalties: The royalties payable to the Navajo Tribe on all permits and leases issued under the provisions hereof shall be as follows:

**Table of Royalties Payable Per Dry Ton**

\$ 0.01 to \$ 10.00	1%
\$ 10.01 to \$ 20.00	1 1/2%
\$ 20.01 to \$ 30.00	2%
\$ 30.01 to \$ 40.00	2 1/2%
\$ 40.01 to \$ 50.00	3%
\$ 50.01 to \$ 60.00	3 1/2%
\$ 60.01 to \$ 70.00	4%
\$ 70.01 to \$ 80.00	4 1/2%
\$ 80.01 to \$ 90.00	5%
\$ 90.01 to \$ 100.00	5 1/2%
\$ 100.01 to \$ 200.00	6%
\$ 200.01 to \$ 500.00	7%
\$ 500.01 to \$ 1,000.00	8%
\$ 1,000.01 to \$ 2,000.00	9%
\$ 2,000.01 to \$ 5,000.00	10%
\$ 5,000.01 to \$ 10,000.00	11%
\$ 10,000.01 to \$ 20,000.00	12%
\$ 20,000.01 to \$ 50,000.00	13%
\$ 50,000.01 to \$ 100,000.00	14%
\$ 100,000.01 to \$ 200,000.00	15%
\$ 200,000.01 to \$ 500,000.00	16%
\$ 500,000.01 to \$ 1,000,000.00	17%
\$ 1,000,000.01 to \$ 2,000,000.00	18%
\$ 2,000,000.01 to \$ 5,000,000.00	19%
\$ 5,000,000.01 to \$ 10,000,000.00	20%

the dollar value per dry ton of such ores as sold or shipped to the Atomic Energy Commission or other Government authorized agency and for other buyers, after transportation and development, however, if the Government or any other agency after does not establish and pay for said ores as a sold or shipped ore, the value per dry ton of crude ores at the mine, or said ores contain valuable minerals, some, or all, of which are disposed of to a custom treatment plant or smelter for treatment and sale, then mine value per dry ton shall be the gross value per dry ton of said crude ores as paid for by the Atomic Energy Commission or other Government authorized agency and for other buyers, less any allowances or reimbursements for the following specific items: (1) transportation of ores; (2) allowances for exploration for, or development of ores; and (3) treatment or beneficiation of ores, which specific items shall at such event be deducted from the gross sales price received from the metal content of said ores by the seller before said percentage royalty is calculated and paid. Such payments shall be made on or before the fifteenth (15th) day of the month next following receipt by lessee of payment for said ores together with a statement of the mine value of said ores and the amount of royalty due on each lot shipped and sold.

When minerals or other products are recovered from said lease and the value of such minerals or other products is determined, a royalty of ten (10) per cent of the gross value of such minerals or other products shall be paid to the United States Atomic Energy Commission.

**BONUSES:** There shall be paid, as additional royalty, 10% of any bonus paid by the United States Atomic Energy Commission for the production of ore and particularly, bonuses for the initial production of uranium ore from said lease. This provision shall not be limited to bonuses for initial production but shall apply to any and all bonuses paid for the production of ore.

**PAYMENT OF ROYALTIES:** Royalties for mineral royalties are to be made payable to the Treasurer of the United States and mailed to Window Rock, Arizona, for deposit to Navajo Tribal Funds.

(b) **MINERAL DEVELOPMENT OPERATIONS:** To exercise diligence in the conduct of prospecting and mining operations, to carry on development and operations to the fullest extent and to the fullest possible extent, to conduct operations in the said area and to be committed upon the portion in his occupancy, to comply with all requirements of the



(b) ~~Development~~. The land described herein shall not be held by the permittee for speculative purposes, but in good faith for mining the minerals specified; and the failure by the permittee in the diligent development and continued operation of the mine or mines, except when operations may be interrupted by strikes, the elements, or casualties not attributable to the permittee, shall be held as a want of compliance with the purposes of this permit and shall render it subject to revocation at the discretion of the Area Director; provided, that whenever the Area Director shall consider the marketing facilities inadequate or the economic conditions unsatisfactory, he may authorize the suspension of operations for such time as he may deem advisable. On mining permits operated exclusively by Navajos there shall be expended by the permittee the equivalent of \$5.00 per acre per year in actual mining development. Such development shall consist of road building, prospecting or drilling and mining operations. Where assignments or other agreements are made to non-Indians the development requirement shall be \$10.00 per acre per year. Certified reports shall be submitted to the Window Rock Area Office regarding development expenditures within ten days after the yearly anniversary date of the contracts.

(d) MONTHLY STATEMENTS. To keep an accurate account of all mining operations, showing the sales, prices, dates, purchasers, and the whole amount of minerals mined, the amount removed, and the gross receipts derived therefrom, and to furnish the same Director sworn monthly reports thereon not later than the 25th of the succeeding month; and all sums due as royalty shall be a lien on all implements, tools, removable machinery, and all other personal chattels used in operations upon said property, and upon all of the unsold minerals obtained from the land herein, as security for payment of said sums.

(a) REGULATIONS. To abide by and conform to any and all regulations of the Secretary of the Interior now or hereafter in force relative to such permits; provided, that no regulations hereafter approved shall affect a change in rate of royalty, or the term of this permit, without written consent of the parties of this permit.

4. ASSIGNMENT OF PERMIT. Not to assign this permit or any interest therein by an operating agreement or otherwise nor to grant any portion of the premises without approval of the Advisory Committee and the Secretary of the Interior, or his authorized representative.

**OVER-RIDING ROYALTIES:** Subject to approval provided for in section (1) of this permit, assignments, operating agreements, and sub-contracts may, in addition to other considerations, provide for the retention by and payment to the assignor in an assignment, or the grantor in a sub-contract or operating agreement, or a royalty on all ore produced and sold from the premises (commonly known as an over-riding royalty) of not to exceed the following percentage based on the mine value per dry ton of ore as defined on pages one and two of this permit, to-wit:

1. On ore having a mine value per dry ton of \$30.00 or less, 2% of the mine value per dry ton.
2. On ore having a mine value per dry ton of more than \$30.00 and not more than \$60.00, 3% of the mine value per dry ton.
3. On ore having a mine value per dry ton of more than \$60.00 and not more than \$80.00, 4% of the mine value per dry ton.
4. On ore having a mine value per dry ton of more than \$80.00, 5% of the mine value per dry ton.

If two or more parties are the assignors or grantors, the royalty may be divided on such basis as said assignors or grantors may agree upon; provided, however, that the Advisory Committee of the Navajo Tribal Council may at any time after five (5) years from the date of the first sale of uranium ore produced from said property (as evidenced by records of the processing mill or other buyer) reduce the percentage of royalty retained by the assignor or grantor or entirely eliminate the same if the Advisory Committee shall determine that such royalty payments so retained are so burdensome as to make the future operation of the mines on said lease impracticable or unprofitable, it being the intent hereof that the Advisory Committee shall at such time take such action as will serve the best interest of the Navajo Tribe in assuring the continuous operation of the uranium mining industry on the Navajo Reservation.

(g) **RENTAL.** Where permits or leases are assigned or interests are otherwise acquired by non-Indians an advance annual rental of \$1.00 per acre is required and no credit shall be allowed therefor on any future production royalties.

(h) **BOND:** All non-Indian contracts shall require a surety bond to insure performance of the terms of the contract. The amount of bond to conform to Departmental Mining Regulations.

2. **INSPECTION.** The permitted premises and producing operations, improvements, machinery and fixtures thereon and connected therewith shall be open at all times for inspection by the Area Director or his authorized representative.

3. **SURRENDER AND TERMINATION.** The permittee shall have the right at any time during the term hereof to surrender and terminate this permit or any part thereof upon the payment of all royalties due the Navajo Tribe, and any other obligations that may be due the Navajo Tribe; provided, that the permittee has complied with all instructions regarding conservation and protection of the property.

4. **RENEWAL AND FORFEITURE.** When, in the opinion of the Area Director, there has been a violation of any of the terms and conditions of this permit, the Area Director shall have the right at any time after 30 days' notice to the permittee, specifying the terms and conditions violated, and after a hearing, if the permittee shall so request within 30 days of receipt of notice, to declare this permit null and void, and if any royalties or other obligations are due the Navajo Tribe, to take appropriate action to see that such obligations are fulfilled.

5. **MINES TRIBUTARY TO URANIUM PROCESSING MILL AT SHIPROCK, NEW MEXICO.** Permittee or Lessee and any assignee of the Permittee or Lessee shall tender all uranium ores produced by them from mines tributary to the mill of the Navajo Uranium Company at Shiprock, New Mexico, to the Navajo Uranium Company for purchase at such price or prices as may be established or approved by the U. S. Atomic Energy Commission, including allowances for transportation and development work, provided, that when there has been purchased for the use of said mill or stock-pile according to the provisions of said lease, a quantity of ore sufficient to supply said mill with its normal ore requirements, the Navajo Uranium Company shall notify each permittee or lessee that the provisions of this paragraph are waived until further notice. The provisions of this paragraph shall not remain in force and effect for a period of more than five (5) years from the date of the approval by the Secretary of the Interior of the lease to the Navajo Uranium Company for the millsite at Shiprock, New Mexico.

Approval Recommended

Date July 8, 1952

Sam Ahkush  
Chairman, Navajo Tribal Council

Ed. Leless  
Vice-Chairman, Navajo Tribal Council

I hereby accept the foregoing permit and agree to abide by all its terms and conditions.

Ed. Leless  
(Permittee)

Ed. Leless  
(Permittee)

Long  
Guard  
Cross

Approved: 8-6-52  
(Date)

Area Director  
acting Area Director

CATO SELLS MINING PERMIT NO. 56 - LAND DESCRIPTION:

(1) CATO NO. 1:

Beginning at a Monument on the Northeastly end of Horse Trail Mesa from which the Cove Day School bears North  $59^{\circ}$  East 7700 feet;  
thence South  $19^{\circ}$  East 1175 feet;  
thence South  $72^{\circ}$  West 5240 feet;  
thence North  $13^{\circ}$  West 1000 feet;  
thence North  $70^{\circ}$  East 5110 feet; to place of beginning, containing 130 acres, more or less. The area is located in an unsurveyed portion of Apache County, Arizona, Township 27 North, Range 29 East.

(2) CATO NO. 2:

Beginning at a Monument on the Southeastern end of a Mesa on the North side of Horse Trail Canyon, from which the Cove Day School bears North  $68^{\circ}$  East 9280 feet approximately;  
thence North  $32^{\circ}$  West 1560 feet to Corner No. 2 on the Northeast Corner of the Mesa;  
thence North  $88^{\circ}$  West 4380 feet to Corner No. 3 on the Northwest side of the Mesa;  
thence South  $49^{\circ}$  East 4430 feet to Corner No. 4 on the South side of the Mesa and on Horse Trail Canyon;  
thence North  $52^{\circ}$  East 2330 feet to Corner No. 1, the place of beginning. The Boundaries of this area follow the outcrops of the ore bearing sandstones, and enclose 180 acres, more or less. The area is located in Apache County, Arizona, in an unsurveyed portion of Township 27 North, Range 29 East.

(3) Starting at the Northwest Corner No. 1 of the proposed mining permit and the West end of the Oak Springs Water Trough which has an inscription in concrete reading January 23, 1935. The 17th mile marker on the New Mexico-Arizona Boundary Line bears approximately  $N 24.22^{\circ}$  East 2500 feet. Starting again from Corner No. 1, the Northwest Corner,  
thence  $20^{\circ}$  East 1500 feet to Corner No. 2 Southwest Corner;  
thence North  $80^{\circ}$  East 600 feet to Corner No. 3, the Southeast Corner;  
thence North  $20^{\circ}$  West 1500 feet to Corner No. 4, the Northeast Corner;  
thence South  $80^{\circ}$  West 600 feet to Corner No. 1, the Northwest Corner;  
and place of beginning, containing approximately 20.1 acres in San Juan County, New Mexico.

(4) Beginning at Oak Springs Water Trough, running 600 feet East to Corner No. 1;  
thence  $26^{\circ}$  North to Corner No. 2;  
thence East 2640 feet to Corner No. 3;  
thence South 2640 feet to Corner No. 4;  
thence West 2640 feet to Corner No. 1; and place of beginning, containing 160 acres, in San Juan County, New Mexico.

SUBJECT TO DISPUTES AND CORRECTED SURVEY WHENEVER NECESSARY.

Cato Mills - Mining Permit No. 56 - Land Description (continued)

- (5) Corner No. 1 starts at the Triangulation Station and Corner No. 1 of the Curran Brothers and Wade Plot No. 7 Lease, from which point U. S. Mineral Monument No. 3 bears North  $1^{\circ} 22' 50''$  East 33,650 feet; thence from Corner No. 1 3,000 feet North  $60^{\circ}$  East to Corner No. 2; thence 4,000 feet South  $20^{\circ}$  West to Corner No. 3; which corner is the same as Corner No. 31 of Curran Brothers and Wade Plot and Lease; thence 3,887 feet North  $46^{\circ} 27'$  West to Corner No. 1, and place of beginning, from Corner No. 31 to Corner No. 1 is the Northeast Boundary Line of Curran Brothers and Wade Plot No. 7 Lease; plot containing 73.8 acres, more or less, in Apache County, Arizona, being located approximately in a common corner of unsurveyed Township 38 North, Range 28 East, Township 37 North, Range 28 East, Township 37 North, Range 29 East, Township 38 North, Range 29 East.
- (6) Saytah:  
Starting at Corner No. 1, the Northeast Corner, from which point U. S. Mineral Monument No. 1 bears North  $33^{\circ} 02' 44''$  East 8,733.98 feet; thence from Corner No. 1 South  $5^{\circ} 11'$  West 280 feet to Corner No. 2; thence South  $27^{\circ}$  863.33 feet to Corner No. 3, the Southeast Corner; thence North  $84^{\circ} 49'$  West 646.28 feet to Corner No. 4, the Southwest Corner; thence North  $27^{\circ}$  East 987.87 feet to Corner No. 5; thence North  $5^{\circ} 11'$  East 516.58 feet to Corner No. 6, the Northwest Corner; thence South  $84^{\circ} 49'$  East 600 feet to place of beginning, containing 20.6 acres, more or less, in Apache County, Arizona.
- (7) Saytah Extension:  
Starting at Corner No. 1, the Northeast Corner, which corner is same as Corner No. 3 of Saytah Claim; thence South  $15^{\circ}$  West 1200 feet to Corner No. 2, the Southeast corner; thence North  $84^{\circ} 49'$  West 646.28 feet to Corner No. 3, the Southwest Corner; thence North  $15^{\circ}$  East 1200 feet to Corner No. 4, the Northwest Corner; thence South  $84^{\circ} 49'$  East 646.28 feet, to place of beginning, containing 17 acres, more or less, in Apache County, Arizona.
- (8) Beginning at a point 121 feet due South of where the Red Rock - Beclabito Road crosses the New Mexico-Arizona State Boundaries, which point is between the 16th and 17th mile markers and which is approximately 3500 feet due South of the 16th mile marker; thence from point of beginning or Corner No. 1, the Northeast Corner, 1800 feet North  $65^{\circ}$  West to Corner No. 2, the Northwest Corner; thence 600 feet due South to Corner No. 3, the Southwest Corner; thence 1800 feet South  $65^{\circ}$  East to Corner No. 4, the Southeast Corner; thence due North following the New Mexico-Arizona State Boundaries 600 feet to Corner No. 1, and place of beginning, containing 25.1 acres, in Apache County, Arizona, and is located approximately in Section 2, Township 38 North, Range 31 East, unsurveyed.

SUBJECT TO DISPUTES AND CORRECTED SURVEY WHEREVER NECESSARY.

Cato Sells - Mining Permit No. 56 - Land Description (continued):

- (9) Beginning at a point 121 feet due South where the Red Rock - Beclabito road crosses the New Mexico - Arizona State Boundaries which point is between the 14th and 17th Mile Post and which is approximately 3,500 feet due South of the 16th Mile Marker; thence from point of beginning Corner No. 1 the Northwest Corner 1500 feet South  $69^{\circ}$  East to Corner No. 2; the Northeast Corner; thence 600 feet due South to Corner No. 3, the Southeast Corner; thence North  $69^{\circ}$  West 1500 feet to Corner No. 4, the Southwest Corner; thence 600 feet due North following the Arizona - New Mexico Boundary Line to Corner Number 1, and place of beginning, containing 20.6 acres, in San Juan County, New Mexico, in unsurveyed Township 29 North, Range 21 West, in approximate Section 2 and 3.

SUBJECT TO DISPUTES AND CONFLICTING SURVEY WHENEVER NECESSARY.

MD:ASJT

June 18, 1956

Cato Sells  
Box 253  
Farmington, New Mexico

Re: APPLICATION FOR CERTIFICATION OF UPPER AND LOWER  
CANYON MINE (NO. E-1405)

Dear Mr. Sells:

Upper and Lower Canyon Mine, Shiprock Mining  
District, Apache County, Arizona and San Juan  
County, New Mexico.



### Description of location of property

Upper Canyon - Beginning at a point 121 feet due South of where the Red Rock - Beclabito Road crosses the New Mexico-Arizona State Boundaries, which point is between the 16th and 17th mile markers and which is approximately 3500 feet due South of the 16th mile marker;

thence from point of beginning or Corner No. 1, the Northeast Corner, 1800 feet North  $65^{\circ}$  West to Corner No. 2, the Northwest Corner;

thence 600 feet due South to Corner No. 3, the Southwest Corner; thence 1800 feet South  $65^{\circ}$  East to Corner No. 4, the Southeast Corner;

thence due North following the New Mexico-Arizona State Boundaries 600 feet to Corner No. 1, and place of beginning, containing 25.1 acres, in Apache County, Arizona, and is located approximately in Section 2, Township 38 North, Range 31 East, unsurveyed.

Lower Canyon - Beginning at a point 121 feet due South where the Red Rock - Beclabito Road crosses the New Mexico-Arizona State Boundaries which point is between the 16th and 17th Mile Post and which is approximately 3,500 feet due South of the 16th Mile Marker;

thence from point of beginning Corner No. 1 the Northwest Corner 1500 feet South  $69^{\circ}$  East to Corner No. 2; the Northeast Corner;

thence 600 feet due South to Corner No. 3, the Southeast Corner; thence North  $69^{\circ}$  West 1500 feet to Corner No. 4, the Southwest Corner;

thence 600 feet due North following the Arizona-New Mexico Boundary Line to Corner No. 1, and place of beginning, containing 20.6 acres, in San Juan County, New Mexico, in unsurveyed Township 29 North, Range 21 West, in approximate Section 2 and 3.



Cato Sells, Census No. 30998

Approved 8-8-52

Renewed 8-6-54

Description

- (8) Beginning at a point 121 feet due South of where the Red Rock - Beclabito Road crosses the New Mexico-Arizona State Boundaries, which point is between the 16th and 17th mile markers and which is approximately 3500 feet due South of the 16th mile marker;  
thence from point of beginning or Corner No. 1, the Northeast Corner, 1800 feet north  $65^{\circ}$  West to Corner No. 2, the Northwest Corner;  
thence 600 feet due South to Corner No. 3, the Southwest Corner;  
thence 1800 feet South  $65^{\circ}$  East to Corner No. 4, the Southeast Corner;  
thence due North following the New Mexico-Arizona State Boundaries 600 feet to Corner No. 1, and place of beginning, containing 25.1 acres, in Apache County, Arizona, and is located approximately in Section 2, Township 38 North, Range 31 East, unsurveyed.
- (9) Beginning at a point 121 feet due South where the Red Rock - Beclabito Road crosses the New Mexico - Arizona State Boundaries which point is between the 16th and 17th Mile Post and which is approximately 3,500 feet due South of the 16th Mile Marker;  
thence from point of beginning Corner No. 1 the Northwest Corner 1500 feet South  $69^{\circ}$  East to Corner No. 2; the Northeast Corner;  
thence 600 feet due South to Corner No. 3, the Southeast Corner,  
thence North  $69^{\circ}$  West 1500 feet to Corner No. 4, the Southwest Corner;  
thence 600 feet due North following the Arizona - New Mexico Boundary Line to Corner Number 1, the place of beginning, containing 20.6 acres, in San Juan County, New Mexico, in unsurveyed Township 29 North, Range 21 West, in approximate Section 2 and 3.

SUBJECT TO DISPUTES AND CORRECTED SURVEY WHEREVER NECESSARY.

# APPLICATION FOR CERTIFICATION OF MINING PROPERTY

1405

Address Box 253, Farmington, New Mexico

1. Name of mining property Upper and Lower Canyon Mine

(Indicate whether Corporation, Partnership, Individual)

(Owner or Lessee—if other, specify)

a. Mining district Shiprock Mining District

b. Size of property 45.7 acres

c. Number and names of claims included in this property 2 - Upper Canyon and Lower Canyon - Permit No. 56

d. Property is of public record as follows:

[illegible]

e. Title to property is patented or unpatented? (State which.) Kawojc Indian Reservation

f. Description of location of property for verification by mining branch of Colorado Raw Materials Office, Atomic Energy Commission.

See attached sheet

## APPLICATION FOR CERTIFICATION OF MINING PROPERTY—Continued

5. Ore accepted by commission ore-buying stations or qualified uranium mills (or any other uranium ore processing plants) from property between April 9, 1948 and February 28, 1951 inclusive:

[illegible]

I certify to the best of my knowledge that (1) the statements in this application are true and that (2) the total quantity of uranium oxide as contained in ore accepted by commission ore-buying stations or qualified uranium mills (or any other uranium ore processing plants) from the above described property between April 9, 1948 and February 28, 1951 inclusive, is less than 10,000 pounds.

May 30, 1956  
(Date)

Octo Decem

Misrepresentations or false statements in the application may subject the applicant to criminal penalties, under provisions of the United States Code including section 1001 of title 18. Any such offense may also disqualify the offender from receiving bonus payments.

(When completed mail to U. S. Atomic Energy Commission, Colorado Raw Materials Office, P. O. Box 270, Grand Junction, Colo.)

14-57545-2 U. S. GOVERNMENT PRINTING OFFICE

SPACE BELOW FOR USE BY APPLICANT, IF NECESSARY

MD:ASJT

August 2, 1956

Mr. Cato Sells  
Box 253  
Farmington, New Mexico

RE: APPLICATION FOR CERTIFICATION OF THE UPPER CANYON AND LOWER CANYON  
CLAIMS, PERMIT NO. 56, SHIPROCK MINING DISTRICT, APACHE AND SAN  
JUAN COUNTIES, ARIZONA. (APPLICATION NO. 1405)

Dear Mr. Sells:

During the examination of the above named claims for certification you informed the examining engineer that the production from the property during the period April 9, 1948 through February 28, 1951, was shipped under claim names other than Upper Canyon and Lower Canyon. Production records in our Finance Division indicate that you shipped from the Canyon, Canyon No. 1, Canyon No. 2, and Canyon No. 3 claims in 1950.

Please inform us as to the location of these Canyon claims and which of them was the same property as your property presently known as the Upper Canyon claim and Lower Canyon claim. A prompt reply will expedite the processing of your application. If no reply is received before September 1, 1956, your application will be processed on the assumption that the 1950 production from these Canyon claims, totaling 2770.94 lbs. of U<sub>3</sub>O<sub>8</sub> came from the property now known as the Upper Canyon and Lower Canyon claims.

Very truly yours,

R. H. Toole, Chief  
Leasing & Development Branch  
Mining Division

OFFICE	MD	MD	MD			
SURNAME	Taylor; ZM	Sonntag	Toole			
DATE	8-2-56	8/2/56	8/2/56			

MD:ASJT

August 20, 1956

Mr. Cato Sells  
P. O. Box 253  
Farmington, New Mexico

Re: APPLICATION FOR CERTIFICATION OF THE UPPER CANYON AND LOWER  
CANYON CLAIMS, PERMIT NO. 56. (APPLICATION NO. 1405)

Dear Mr. Sells:

During the processing of the above named application, it has been noted that Corner No. 1 of the Upper Canyon claim and Corner No. 1 of the Lower Canyon claim is described in Navajo Tribal Mining Permit No. 56 as being approximately 3,500 feet due south of the 16th mile marker on the Arizona-New Mexico boundary. Your map submitted with the application shows this point to be 1222 feet from Mile Post No. 17. Assuming the distance between Mile Post Nos. 16 & 17 to be an even mile, or 5,280 feet, the corner would be 4,058 feet from Mile Post No. 16 instead of 3,500 feet as shown in Permit No. 56.

In view of this discrepancy, it will be necessary for you to have the new survey accepted and Permit No. 56 revised according to the new survey, by the Navajo Tribal Council and the Branch of Realty at Window Rock before certification can be completed. Please notify this office when this has been done.

Very truly yours,

R. H. Toole, Chief  
Leasing & Development Branch  
Mining Division

OFFICE ▶	MD	MD	MD			
SURNAME ▶	Taylor	Hill	Toole			
DATE ▶	8-20-56	8/20/56	8/20/56			

Resources:  
Realty

Navajo Agency  
Window Rock, Arizona

SEP 21 1956

Mr. Cato Sells  
901 Buena Vista  
Farmington, New Mexico

Dear Mr. Sells:

Pursuant to request contained in your letter of August 24, 1956, and the approval of the Advisory Committee on September 11, 1956, you are hereby advised that the survey descriptions of the "Upper Canyon claim" and "Lower Canyon claim" as contained in your Mining Permit No. 56 hereinafter will be described as follows:

"Upper Canyon Claim: Beginning at corner No. 1 which bears  $N0^{\circ} 08'E$ , 1222 ft. north of the Arizona-New Mexico State line Mile post No. 17. The said corner No. 1 also being 121 ft. south along the said State line from a point where State line intersects the Red Rock and Beclabito Road. From corner No. 1 by metes and bounds,  $N65^{\circ} 00'W$ , 1800 ft. to corner No. 2;  $S.0^{\circ} 08'W$ , 600 ft. to corner No. 3;  $S65^{\circ} 00'E$ , 1800 ft. to corner No. 4;  $N.0^{\circ} 08'E$ , 600 ft. to corner No. 1, the place of beginning. This tract as described being in Apache County, Arizona and contains 22.5 acres.

Lower Canyon Claim: Beginning at corner No. 1 which bears  $N.0^{\circ} 08'E$ , 1222 ft. north of the Arizona-New Mexico State line Mile post No. 17. The said corner No. 1 also being 121 ft south along the said State line from a point where State line intersects the Red Rock and Beclabito Road. From corner No. 1 by metes and bounds,  $S69^{\circ} 00'E$ , 1500 ft to corner No. 2;  $S.0^{\circ} 08'W$ , 600 ft to corner No. 3;  $N69^{\circ} 00'W$ , 1500 ft. to corner No. 4;  $N.0^{\circ} 08'E$ , 600 ft. to corner No. 1, the place of beginning. The tract as described being in San Juan County, New Mexico and contains 19.31 acres."

Copies of this letter will be forwarded to U. S. Geological Survey, Carlsbad, New Mexico, Kerr-McGee Oil Industries, Inc., Shiprock, New Mexico and the Atomic Energy Commission, Grand Junction, Colorado, for their information.

Yours very truly,

/s/ PAUL JONES

Chairman, Navajo Tribal Council

cc: Realty

USGS, Carlsbad, N.M.

Kerr-McGee, Shiprock, N.M.

A.E.C., Grand Junction, Colo.

chronol & m/f

TLYNCH:ajh-9/18/56

(Sgd.) Charles E. Morelock

Acting General Superintendent

MD:ASJT

October 5, 1956

Mr. Cato Sells  
Box 253  
Farmington, New Mexico

Re: CERTIFICATION NO. 596, OAK SPRINGS ( GRAVEL TOP) CLAIM, AND  
APPLICATION NO. 1405, UPPER AND LOWER CANYON CLAIMS, SHIPROCK  
MINING DISTRICT, APACHE COUNTY, ARIZONA.

Dear Mr. Sells:

Since your new survey of the Upper and Lower Canyon claims has been accepted by the Window Rock Office, your application for certification of this property (Application No. 1405) appears to be in order and is now being processed.

As to your increasing the acreage at Oak Springs (Gravel Top) claim, your letter of September 17, 1956 is being treated as a request to have the Oak Springs Extension added to Certification No. 596. One of our field Engineers will contact you later in order to be shown where the corners are.

Very truly yours,

R. H. Toole, Chief  
Leasing & Development Branch  
Mining Division

OFFICE ▶	MD	MD	MD			
SURNAME ▶	Taylor, zm	Hill	Toole			
DATE ▶	10-5-56					

E. H. Toole, Chief  
Leasing and Development Branch  
Mining Division, GJ  
John I. Combo, Attorney, GJ

October 16, 1956

CERTIFICATION OF THE UPPER CANYON AND LOWER CANYON CLAIMS,  
PERMIT NO. 56, SHIPROCK MINING DISTRICT, APACHE COUNTY,  
ARIZONA, AND SAN JUAN COUNTY, NEW MEXICO (APPLICATION NO. 1405)

SYMBOL: AGC:JXC

On the basis of the engineer's report there appears to be no  
legal objection to certification of this property.

Inclosure:

1. Engineer's report (w/attachment)

cc: Finance Division, GJ

OFFICE ▶	AGC				
SURNAME ▶	JXCCombo:kc				
DATE ▶	10/16/56				



D-801

MD:DRH

October 17, 1956

Cato Sells  
P. O. Box 253  
Farmington, New Mexico

Re: CERTIFICATION OF UPPER CANYON AND LOWER CANYON CLAIMS, SAN JUAN  
COUNTY, NEW MEXICO AND APACHE COUNTY, ARIZONA,  
(APPLICATION NO. 1405)

Dear Mr. Sells:

Reference is made to your application dated May 30, 1956, requesting certification of Upper and Lower Canyon Mine for bonus payments under the provisions of Domestic Uranium Program Circular 6.

This will serve as notification that the captioned application has been reviewed and the following described property is hereby certified as a unit eligible for bonus payments:

Upper Canyon Claim and Lower Canyon Claim as described in Navajo  
Tribal Mining Permit No. 96

The above property is situated in unsurveyed Sections 29 & 30, T 39 N, R 31 E, G&S E&M, Apache County, Arizona, and unsurveyed Sections 2 & 3, T 29 N, R 21 W, N.M.P.M., San Juan County, New Mexico all in Shiprock Mining District.

Production records show that 2,770.94 pounds of  $U_3O_8$  were produced from this property between April 9, 1948, and February 28, 1951, inclusive. Therefore, bonus payments will be made on each pound of  $U_3O_8$  up to and including the first 7259.06 pounds contained in ores mined from this property and accepted by a qualified mill or Commission ore-buying station between March 1, 1951, and March 31, 1960, inclusive. Such ores are eligible to receive bonus payments in the order of their dates of settlement, so that it is possible that previous shipments, other than yours, are eligible.

The certification number you will use in making application for bonus payment is D.U.P. C6-C-811. Several copies of an "Application for Bonus Payment" form are enclosed for listing each month's production since March 1, 1951. In making application for bonus payments, please note the name of the claim or claims from which ore was shipped as well as the group name.

Very truly yours,

OFFICE	MD	A. H. Toole, Chief
SURVEILLANCE	MD	Planning & Development Branch
DATE	10-17-56	10/23/56
ABC-30C (6 sets)	10/18/56	cc: Hutto, FD
Form ABC-318 (Rev. 9-53)	U. S. GOVERNMENT PRINTING OFFICE	10-551-5 Bureau of
		Ore Reserves

Elmer's Records of Shipments from Canyon #1 to be  
in Feb, Mar, Apr, May, June, July, & Aug, 1950 to Sprague

FD:LIW

November 7, 1956

Mr. Cato Sells  
Box 253  
Farmington, New Mexico

Subject: APPLICATION FOR BONUS PAYMENT - DUP-C6-C-801

Dear Mr. Sells:

Your application for bonus payment dated October 29, 1956  
in the amount of \$17,023.93 is returned.

Please refer to paragraph F on the reverse of the bonus  
application form for the applicable prices per pound U308  
on liquidation numbers 542 and 576.

You may make the necessary adjustments by striking through  
the incorrect computations, entering correct figures and  
initialling same.

Very truly yours,

Robert W. Scott, Chief  
Accounting Branch  
Finance Division

Enclosure - 1, as above.

OFFICE ▶	Accounting	Accounting				
SURNAME ▶	Hutto: <i>AS</i>	Scott: <i>Scott</i>				
DATE ▶	11/7/56					

# UPPER CANYON CLAIM

Beginning at corner No. 1 which bears N 0° 08' E, 1222' N. of the Arizona-New Mexico State line Mile post No. 17. The said corner No. 1 also being 121' South along the said State line from a point where State line intersects the Red Rock and Declabito Road.

From corner No. 1 by metes and bounds,

N 65° 00' W, 1800' to corner No. 2;  
S 0° 08' W, 600' to corner No. 3;  
S 65° 00' E, 1800' to corner No. 4;  
N 0° 08' E, 600' to corner No. 1,  
the place of beginning.

The tract as described being in Apache County, Arizona and contains 22.5 Acres.

# LOWER CANYON CLAIM

Beginning at corner No. 1 which bears N 0° 08' E, 1222' N. of the Arizona-New Mexico State line Mile post No. 17. The said corner No. 1 also being 121' South along the said State line from a point where State line intersects the Red Rock and Declabito Road.

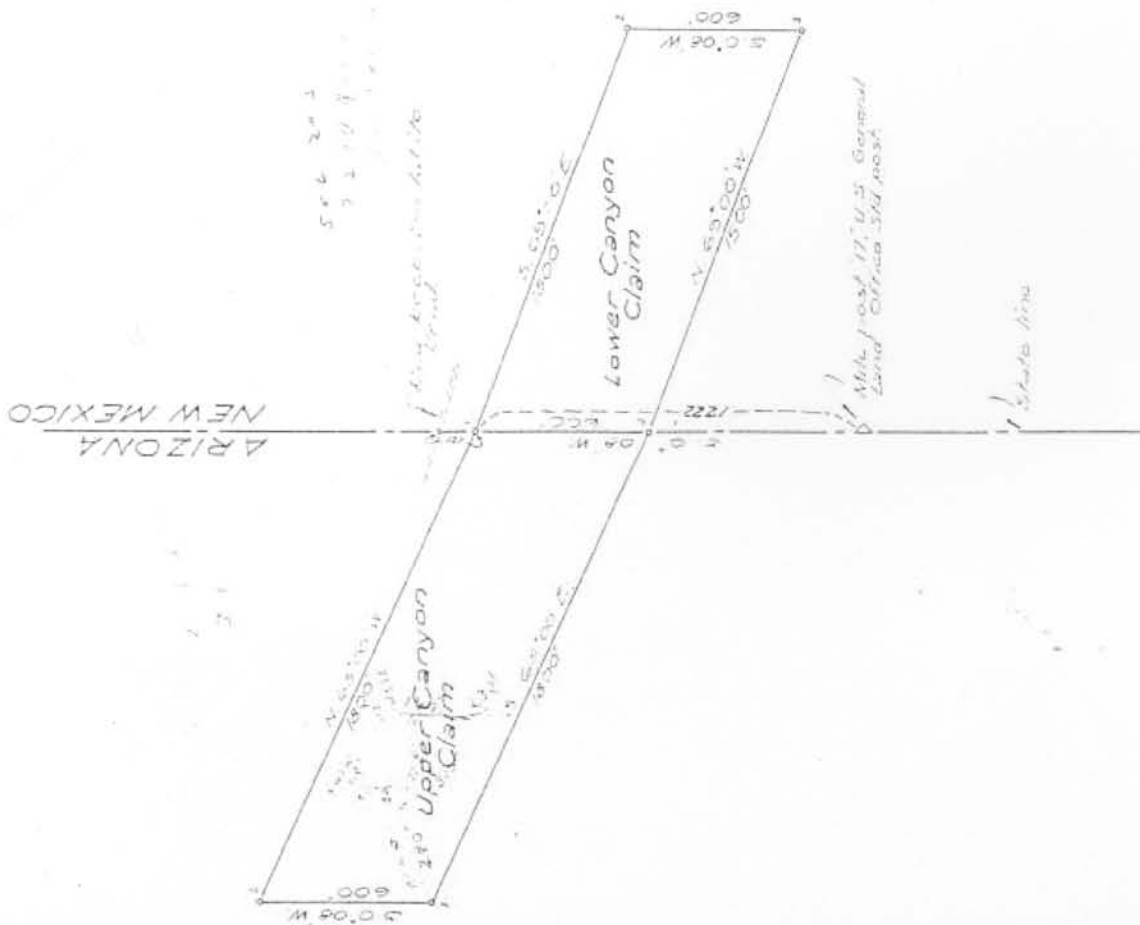
From corner No. 1 by metes and bounds,

S 69° 00' E, 1500' to corner No. 2;  
S 0° 08' W, 600' to corner No. 3;  
N 69° 00' W, 1500' to corner No. 4;  
N 0° 08' E, 600' to corner No. 1,  
the place of beginning.

The tract as described being in San Juan County, N. Mex. and contains 19.31 Acres.



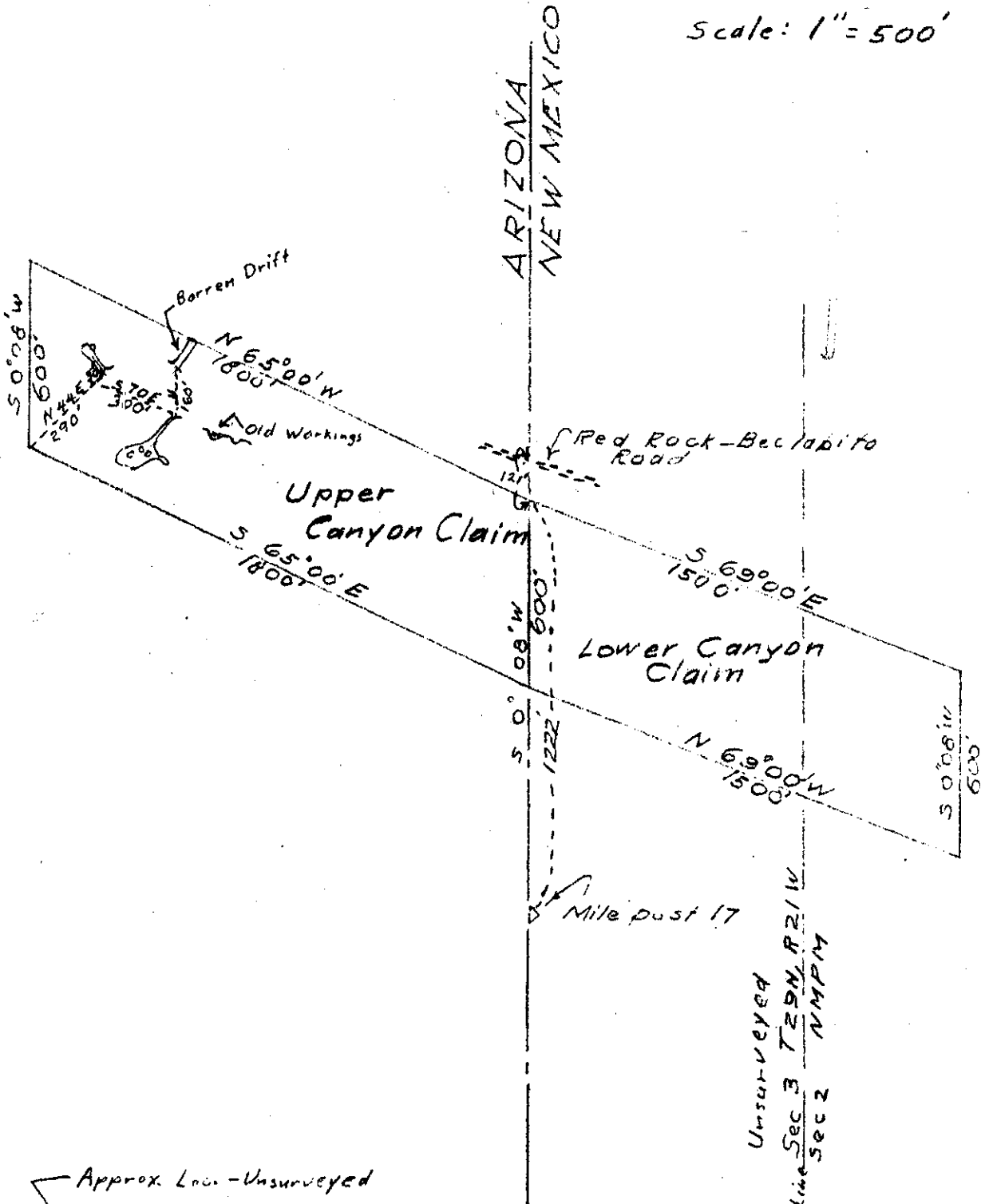
CATO SELLS	
UPPER CANYON-LOWER CANYON CLAIM SURVEY	
APACHE CO., ARIZONA	APRIL, 1956 SCALE 1"=500'
SAN JUAN CO., NEW MEXICO	Drwg. by -E J F.



Surveyed by: Ernest V. Edmundson  
B.L.M. Surveyor  
Apache Co., Ariz. No. 2311  
New Mexico Survey No. 10410

BY A.T. DATE 6-29-56 SUBJECT Upper and Lower Canyon Claims SHEET NO. 1 OF 1  
 CHKD. BY DATE Apache County, Ariz. and JOB NO. San Juan  
County, N. Mex.

Scale: 1" = 500'



30	29	T29N
31	32	R21E G+S.R. B+M